

**MINUTES  
LCWSD BOARD OF DIRECTORS MEETING  
APRIL 18, 2017**

**PRESENT:** President Marc Liechti, Directors Jack Thomson, Roxanne Wadman, and Jim Heim, and employees Rodney Olson, General Manager, and Beth Dotson, Secretary

**ABSENT:** Rex Niles

President Liechti called the meeting to order at 2:00 p.m.

**AGENDA:** A motion was made by Director Thomson to accept the agenda. Director Heim seconded and motion carried.

**APPROVAL OF MINUTES:** The Minutes of the March 21, 2017 Board meeting were reviewed. A motion was made by Director Heim to accept these Minutes. Director Thomson seconded and motion carried.

**VISITORS:** Nicole Noonan, Auditor

Nicole Noonan presented the 2016 Audit Report and stated LCWSD remains in strong financial condition. She identified two areas involving internal control and operation (cash reconciliation and payroll clearing checks payable balance) as an opportunities for improvement. She also identified one significant deficiency involving LCWSD's knowledge of generally accepted accounting principles resulting from LCWSD not having an on-staff accountant. This deficiency is remedied by contracting with Nicole Noonan, CPA.

**FINANCIAL REPORT**

The Combined Balance Sheet shows current assets at \$2,121,169.40, fixed assets at \$9,025,263.69, total liabilities at \$816,811.45, and total equity at \$10,348,609.64 for a total liabilities and equity balance of \$11,165,421.09.

The Summarized Income Statement shows total revenue for water through March 2017 to be \$192,453.42 (75% of budget), expenses to be \$305,359.08 (74% of budget), and total other revenue to be \$18,372.87 (65% of budget) resulting in net income of \$-94,532.79.

The Summarized Income Statement shows total revenue for sewer through March 2017 to be \$364,720.32 (76% of budget), expenses to be \$431,058.12 (69% of budget), and total other revenue to be \$169,728.92 (101% of budget) resulting in net income of \$103,391.12.

A Comparison to Prior Year Income Statement was presented. Total Revenues for March 2017 were \$55,993.26 compared to \$54,835.15 period in 2016. Total expenses for March 2017 were \$92,172.73 compared to \$85,360.84 in 2016. Net income from operations was \$-36,179.47 in March 2017 compared to \$-30,525.6 in 2016. Total other revenue was \$1,693.86 in March 2017 compared to \$8,664.53 in 2016. Net income for March 2017 was \$-34,485.61 compared to \$-21,861.16 in 2016.

The Cash Report shows the March 2017 ending checking account balance for water to be \$-16,624.52 and sewer to be \$37,703.76.

A motion was made by Director Wadman to approve the financial report. Director Thomson seconded and motion carried.

**BILL APPROVAL:** Accounts payable for March were reviewed. Expenses of note included:

- Metron – Meters
- MARC – Degreaser
- DEQ – South 80 Water System Proposal
- APEC – South 80 Water System Proposal
- Robert Smith – Refund (property sold; had a credit on their account)
- eGov – New credit card processing system
- Tanner Smith – Water leak near Aries Gas Station and PRV gate valve replacement

The Capital One credit card statement for March was also reviewed.

A motion was made by Director Wadman to approve the bills. Director Heim seconded and motion carried.

**DELINQUENT REPORT:** Progress continues in collecting payment from delinquent accounts.

**OLD BUSINESS:**

South Eighty Water System – Waiting on response from the DEQ.

Lift Stations 6 and 7 – Control panel and pumps are expected mid-May.

Brass Road Water Main Leak – Costs associated with this leak were submitted to insurance. Claim, however, was denied because the leak was not caused by our negligence.

**NEW BUSINESS:**

Lakeside Estates Phase 3 – Doug Siderius wants to proceed with Phase 3. Greg Pisk (Spurwing) is progressing with the Spurwing development. When that happens LCWSD will interconnect the Lakeside Water system with the Troutbeck system, thus making the need for a second well for Lakeside Estates Phase 3 unnecessary. Mr. Siderius will contribute to the cost of the interconnect system.

Treatment Site Power Line Easement – New owners of property adjacent to the pivot field need power. FEC has requested an easement to extend their line to install a transformer on their property to provide service. The Board agreed to the request for an easement as long as it is no wider than 20 feet.

**MISCELLANEOUS**

Tamarack – they are remodeling the old car wash building on their property to provide extra storage. They are planning on doubling capacity over the next couple of years. The initial discharge to sewer was approximately 35,000 per month. It is now at 165-378,000. LCWSD will require a new water/wastewater forecast. Rodney will look into ways to measure the water actually going into the sewer.

Staff – Cheyenne has been released back to full duty after his hip replacement surgeries. He is expected to report to work on Monday, April 24.

Scott Ring successfully passed his water operator exams.

The meeting adjourned at 3:30 p.m.

Respectfully submitted,

Beth Dotson, Secretary

**(NEXT MEETING DATE IS TUESDAY, MAY 16, 2017)**